GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:5651
ANSWERED ON:16.05.2007
DEVELOPMENT OF INFRASTRUCTURE
Badiga Shri Ramakrishna

Will the Minister of PLANNING be pleased to state:

(a) whether India needs investment worth US$ 320 billion for infrastructure development by 2012;

(b) if so, the details thereof;

(c) whether the Planning Commission has recommended for using Forex reserves for infrastructure development projects; and

(d) if so, the details of the recommendations made by the Planning Commission in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) & (b): A preliminary macro-level exercise done by the Planning Commission had estimated an investment of about US$350 billion during 2007-12 in infrastructure; comprising of irrigation, electricity, wind energy, gas, water supply, ports, airports, railways, communications, roads and storage. These estimates will, however, be reassessed in the light of the Approach Paper to the Eleventh Five Year Plan.

(c) &(d): Planning Commission has not made any formal recommendations to use foreign exchange reserves for infrastructure development. However, a Committee constituted by the Ministry of Finance under the chairmanship of Shri Deepak Parikh has recommended, inter alia, use of a small part of the foreign exchange reserve without the risk of monetary expansion for financing infrastructure.